

## PRESS RELEASE

Colorado Department of Law Attorney General John W. Suthers

## FOR IMMEDIATE RELEASE

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## CONSUMER COMPLAINTS LEAD ATTORNEY GENERAL TO HALT DOOR-TO-DOOR MAGAZINE SUBSRCIPTION SCAM INVOLVING YOUTH

**DENVER** – Colorado Attorney General John Suthers announced today that his office has secured a default judgment against several door-to-door magazine companies all owned and operated by Jennifer Proffitt-Payne and Cody Payne, formerly of Evergreen, Colorado. The companies covered by the judgment include Great Lakes Circulation, Inc. and American Cash Awards, Inc. This ruling is the culmination of hundreds of complaints filed with the Attorney General's Consumer Protection Section and the Better Business Bureau of Denver/Boulder.

The Attorney General's lawsuit alleged that Proffitt-Payne and Payne sent groups of young adults around the country to sell magazines door- to-door. The Attorney General's Office alleged that the defendants engaged in a long-term pattern of deceptive conduct, including misrepresenting affiliation with local charities and schools, failing to deliver magazines as ordered, and failing to issue refunds to consumers.

"After first pressuring consumers into buying magazine subscriptions, this husband-wife duo would then change their company names to make refunds impossible to secure," said Suthers. "Moreover, they deceived people by claiming that magazine sales were benefitting the military, charities, and schools which they were not."

By failing to defend the claims against them, the Denver District Court ruled in favor of the State. Proffitt-Payne and Payne are now permanently barred from engaging in door-to-door magazine sales in the Colorado and from using Colorado as a home base for national door-to-door magazine sales operations. Proffitt-Payne is ordered to pay \$500,000 and Payne is ordered to pay \$385,000 in civil penalties. Proffitt-Payne and Payne are jointly and severally liable for an additional \$85,148.71 (\$25,148.71 for restitution/unjust enrichment and \$60,000 for attorney's fees), and Proffitt-Payne is ordered to pay an additional 23,792.12 in restitution.

Upon receipt of the restitution payment by Proffitt-Payne and Payne, consumers who are due restitution will be contacted by the Attorney General's Office.